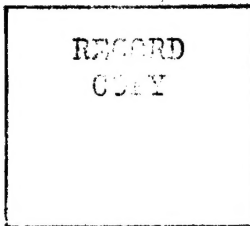


345-4

R



JPRS: 3454

29 June 1960

AGRICULTURAL COOPERATIVES IN THE PEOPLE'S REPUBLIC OF MONGOLIA

RECEIVED
JUN 30 1960
FILE

19990923 109

DTIC QUALITY INSPECTED

DISTRIBUTION STATEMENT A
Approved for Public Release
Distribution Unlimited

Photocopies of this report may be purchased from:

PHOTODUPLICATION SERVICE
LIBRARY OF CONGRESS
WASHINGTON 25, D.C.

This Document Contains Missing
Page/s That Are Unavailable In
The Original Document

U. S. JOINT PUBLICATIONS RESEARCH SERVICE
205 EAST 42nd STREET, SUITE 300
NEW YORK 17, N. Y.

Reproduced From
Best Available Copy

FOREWORD

This publication was prepared under contract by the UNITED STATES JOINT PUBLICATIONS RESEARCH SERVICE, a federal government organization established to service the translation and research needs of the various government departments.

AT THE NATIONAL ARCHIVES
6200 1st Street, N.W.
Washington, D.C. 20540

JPRS: 3454

CSO: 3215-D

AGRICULTURAL COOPERATIVES IN THE PEOPLE'S REPUBLIC OF MONGOLIA

ROLE OF THE WORKDAY IN STRENGTHENING AGRICULTURAL COLLECTIVES ALONG THE LINES OF INDUSTRIAL ORGANIZATION

Following is a translation of an article by
Sh. Sharabjalsan in the Mongolian-language Oyuutan nariin
Erdem Shinjilgeenii Ajliin Emhtgel (Collection of Scientific
Works by Scholars), Ulan Bator, 1957, pages 45-51.

Our workers have won great success in the past four years under the leadership of the Government and of the Central Committee of the Mongol People's Revolutionary Party and with the assistance of the Soviet Union.

One of the important successes realized in our country has been that the socialist branch of the agricultural economy has grown steadily without fluctuations.

The 12th Congress of the Mongol People's Revolutionary Party has issued important instructions in regard to developing the socialist branch of the agricultural economy while simultaneously assisting and promoting the entire economy of all the toiling masses.

Toward the successful realization of this goal, our Party and Government have directed all of their attention and have mobilized and directed the strength and energy of all the people.

In 1954, the Congress of the Mongolian People's Republic issued various important decrees in regard to such questions as obtaining free wood to build apartments and fences in the cooperatives, to reduce the size of taxes to be collected from the livestock economies, to pardon in full and not to take into account the deficiency in taxes from the livestock economy as well as the shortages of previous years in products of the livestock economy which were to be applied to taxes in the country from the people's economies and collectives as a whole. In connection with this, the First Congress of leading workers of the agricultural collectives met in 1955 and approved the resolutions cited above for the agricultural collectives, and a series of decisions and resolutions issued by the Central Committee of the Mongol People's Revolutionary Party and by the Council of Ministers of the Mongol People's Republic raised the enthusiasm of the masses of workers in the struggle to build a new life in the rural areas, and in regard to such questions as consolidating the agricultural collectives along the lines of economic organization, measures for obtaining wages for agricultural workers, and organizing the workers in collectives.

As a result of our Party and Government having undertaken these measures, over 600 collectives have now appeared in our country, including about 6,000,000 livestock. This is about 30% of all our livestock. Financial returns of the agricultural collectives, which were 17,000,000 in 1955, became almost 40,000,000 in 1956, which is more than double. This growth is improving the economy of the collective and increasing public property. As a result of this, the agricultural workers and livestock raisers are speeding up the agricultural movement, consolidating the collective economies and organizations, and are showing overproduction in their joint work. With further help from the Party in this movement, they are setting the aim of gathering into the agricultural collectives not less than 50% of the entire people's economies in 1960. An inseparable part of our country's economic-socialist sector in the agricultural collectives, is in fulfilling the important task of providing the materials needed by members of socialist-collective organizations which have been steadily growing. They are organizing on a joint basis the work of the agricultural collectives, the livestock economy, and all branches of the rest of the economy, and are spreading the socialist principle of sharing, which is "from each man according to his ability, to each man according to his work." The workday takes into account the labor expended by each member of the collective-socialist economy, and the measurement of every aspect of their work, which determine the scales for work quotas and quality.

The workday is a new economic category which came about through joint organization based on joint work, and through socializing private property in socialist countries. In utilizing the workday in socialist countries, they have employed the important economic technique of organizing persons to explain socialist productive responsibilities to each member of the various collectives and to organize joint production.

The so-called "workday" is the scale for evaluating a person's work productivity and for distributing revenue. In other words, the work of the members of the collective is measured and evaluated by means of the workday, and the "workday" is computed in terms of money and goods.

For example, when a milkmaid has milked 30 liters of milk during the summer season, it is considered that she gets 1.5 work-days for it, her pay per work-day is 6 tugriks, and she gets 750 grams of meat in goods. In that event, the norm which the milkmaid will achieve is 30 liters of milk, and when she has milked 30 liters in 1.5 workdays under the work standard used, she is paid 6 tugriks in wages and 750 grams of meat for 1.5 workdays. Looking at it this way, it is apparent that the workday of the collective is unlike the wage system assigned for work performed in other sectors of the national industry. For example:

1. Workers of the national sectors receive their wages in cash, while members of the collectives in a workday are paid in cash and in goods.

2. If a skilled worker who has been employed in the various economies receives a standard wage, it is not the same as the standard for wages and goods to be received in a similar workday designated for the labor of members who work in different collectives. This is due to the social-economic level of each collective and to the consolidating of economic organizations.

3. The worker's wage is a state guarantee fixed beforehand for work pay. Although the cash and goods to be given in a workday to members of collectives is planned in advance, this does not guarantee a working wage; the reason being that these result from the joint labor of the members of the collectives. On the other hand, we are not saying at all that one shouldn't plan in advance; although no matter how much planning is done, it is not possible to make guarantees because of the unstable conditions which prevail in regard to fixing standards for cash and goods to be received in a workday.

The socialist principle for assigning work is that it is absolutely necessary to take into account the differences between skilled and unskilled, heavy and light, difficult and easy work. Thus, the model norms set by the state for all kinds of economic work in our collectives utilize wage scales derived from the workday.

For example, a milkmaid who has been tending 10-15 cows is credited with 1.5 workdays for each 30 liters of milk obtained during the summer season from cows under her charge, 1.5 workdays for each 15 liters milked during the winter, 0.6 workdays for each kilogram of wool sheared from the sheep, and 3 workdays for each horse broken for riding.

Through meetings of all the members and the general committees of the collectives, they discuss the wage scale for the workday and the fixed work norms for the labor of members of the collectives, and, based on these meetings, they develop work norms and wage scales for each individual collective, taking into account the profit from livestock, local conditions, and the special work conditions of the particular collective.

In the Soviet state kolkhozes, the workers are divided into nine basic groups in evaluating the various jobs of the kolkhoz by workdays.

In our country, however, they have not arrived at a regulation which divides the workers into groups in evaluating all the work of the collectives by workdays.

The fact that they have carried out the socialist principle of assigning work in the agricultural collectives on the basis of the workday, is playing an important role in consolidating and improving the collective.

Above all, the workday has removed the great defects which resulted from equalizing the pay received for work and from showing a lack of responsibility in facing work problems which arose in developing the production of the collectives. The fact that they have used the

workday, in other words, the socialist principle for assigning work, is arousing the material interest of the members in improving the social economy of the collectives and is making it possible to mobilize all the work reserves for the productive needs of the collective.

This makes it possible to guarantee that members of the collective who have work skills are engaged in work, and to check every day the participation of each member in the social economy and to mobilize them in raising the work productivity of each member and increasing the products of the collective's socialist economy. Our collectives, due to their socialist type of economy, are made up on the basis of planning all of their work. However, we should raise to the leading section those sections which have been falling behind in their norms and have not been developing their economy by planning through a lack of technical norms. Thus, only through the workday, based on correctly organized work and through properly established norms, can we carry out our duties of mobilizing to raise the work productivity of every member as well as to increase the social economic products of the collectives.

On the other hand, the workday makes it possible to provide plans and to distribute the manpower required in every branch of the collective's industry and in every type of production, to use the working forces economically, and to raise work productivity in every branch of the economy.

The problem of properly distributing the profits of the collectives is very closely related to the matter of arousing the enthusiasm of the members of the collectives to improve the collective's socialist economy.

Distributing in the workday the physical and financial profits of the collective is the basic method for creating the personal material possessions of the members and for arousing their interest in improving the social economy of the collective, and it is also the basic method for linking properly their private interest with the social interest of the collective. Thus we can continuously expand the socialist property of the collective and develop the collective's economy on the basis of consolidating this property, and only on this basis can we raise the standard of the material life of the members.

Thus the rule for the collective is that we must carry out the directive that "every member of the collective having a work skill is obliged to work not less than 75 workdays per year" and we must also increase the physical and financial profits of the collective as well as the wage scale designated for the members' workday.

The "Work" [Hodolmor in text] Collective of Dadal Somon, Hentei Aimak, organized properly the manpower of its members and, as a result of having improved their understanding, earned a revenue of 625,000 tugriks last year. Because this collective strengthened itself greatly along economic lines, the living conditions of its members improved. During the year 1956 which has just elapsed, the aforementioned collective provided for a workday 4 tugriks 25 mungge,

PROBLEMS OF AGRICULTURAL COLLECTIVES IN THE
PEOPLE'S REPUBLIC OF MONGOLIA

Following is a translation of an article by Sh. Bat Ochip,
Scientist in Economics, in the Mongolian-language Tuuh-
Ediin Dzasag (Historical Economics), Ulan Bator, 1957,
pages 187-205.

The People's Republic of Mongolia is a democratic country which is shifting from a feudal society straight to socialism and which has a unique historical development.

Therefore, our country at the present time is still engaged in solving the extremely complicated problem of building socialism in our native land.

For the most part, the process of building socialism in this country is slow. This is closely connected with the following reasons which are related to our country's society and economy:

(1) Because of having been beaten down for hundreds of years under the oppression of foreign colonialists, our country, before the People's Revolution, was one which lived under a nomadic economy with extremely primitive work methods in its economy and was also most backward in its cultural development.

(2) The country which had colonized Mongolia for a long period of time was itself a country with a backward feudal society.

(3) Our economy, on the whole, was agricultural in nature and was based on a livestock economy which was unable to break away from unprogressive nomadic work practices.

(4) In the economy of our country there is a majority of private property owners whose economy is based on small goods. These things are inevitably slowing down and impeding the progress of socialist development. However, after we have overcome these difficulties, we shall win socialism in our country.

For example, a basic economic problem unresolved during the period of the transformation of the People's Republic of Mongolia and a problem closely connected with the winning of socialism are the matters of re-educating in the hundreds of thousands of small goods industries the farming people who make up the majority of the people in our country and reorganizing into a large well-developed economy their widely scattered livestock economy which has been the basic economic element of our country.

The problem of re-educating the private farmers and reorganizing their small goods economy will be solved by means of uniting them into industrial cooperatives.

The process of bringing into cooperatives the many hundreds of thousands of private farmers can improve greatly the country's working forces and enable us to reorganize fundamentally the old industrial relationships in the rural areas of Mongolia. For this reason, the

problem of collectivizing the private farmers will be our Second Revolution. In carrying this out, the revolution will be extremely severe. This revolution has already begun.

Even though the task of uniting the private farmers into industrial cooperatives is advancing slowly and with difficulty, this task is an affair of all the people.

The People's Republic of Mongolia, beginning with 1940, has been entering a period of prosperous transformation which will lead straight from the work relationships of a feudal society into socialism.

Scientific Marxist-Leninist clarifications have been given in regard to the basic characteristics of the period of transformation. This will hold up for comparison the old and new industrial relationships and will explain them in terms of the class struggle. There are no transformation periods other than those of going straight to socialism from feudalism, skipping capitalism, or of entering socialism from capitalism. This is the one and only period for entering a different society from one in which there are sharp clashes. For this reason, we have had the basic aims of going straight to socialism from feudalism, destroying every type of oppression and exploitation in the transformation period from capitalism to socialism, and changing from low property standards to high property standards. This period of transformation will be realized only through the establishment of the dictatorship of the proletariat. In doing this, the dictatorship of the proletariat can branch out in various ways. For example, the difference between the transformation periods of going directly to socialism from feudalism and that of entering socialism from capitalism can be distinguished by the duration, i.e., long or short of the period for carrying out this transformation and in terms of the forms of socialist change.

The characteristics, i.e., "form and matter," of the transformation period of the People's Republic of Mongolia are becoming clear in such respects as: the basic conflict between the highly advanced character of a diversified economy and of our regime and economic backwardness; the conflict between the working forces of the socialist branches which appeared during the years of the Revolution and the old work relationships which existed in the private economy of the people; and because a small-goods economy was dominant in the economy of the country and because our basic industry was backward, there was also a conflict between the present possibilities for meeting the needs of the masses and those of industry and the requirements of the national economy, as well as additional conflicts arising from the fact that an agricultural economy dominated in the population of the country, the working classes had limited private holdings and their development was poor, distinctions among the farmers of the various agricultural areas appeared, and the class struggle became sharp. The present basic forms in our economy are as follows:

1. On the part of our private farmers, a type of economy established on a rigid basis in the national economy which scarcely produces any consumer goods at all.

2. The small-goods economic form which does not employ workers for wages and has drawn in a majority of the people of the country. This has a very great economic significance in the economy of the country as a whole.

3. Embryonic economic beginnings of a capitalistic form based on hiring other people. Although this type of economy occupies an insignificant place in the national economy, it has been playing an important part in respect to the production of agricultural products. Likewise, this has had a great influence on poor peasants who sell their labor to the private owners.

4. The principal accomplishment of our people's revolution will be in socialist type economies which are contained in nationalized and cooperative economies.

If one should ask what are the present work relationships in our society which are based on these various types of economic structures, the reply is that there is scarcely any relationship based on mutual assistance or on collective work which has been separated from the exploitation of people; therefore we must identify the place where private ownership has been general in the social structure and where such work relationships exist. However, at the present time the appearance of capitalist elements among us and the ownership of small private possessions are dominant. Also, our present working relations are those in which there is scarcely any bureaucratic direction. Therefore, we should designate the places where such relationships and private property dominate everything. However, we are continuing to develop and expand the present socialized property in our society. Our present work relationships are being transformed from the work relationships of a feudal society to those of a socialist society.

In the socialist branches of the national economy of the country, we are setting up new socialist-social working relationships in which we have socialized industrial tools and equipment. Working relationships in these branches are being adapted to the characteristics of the working force. The principal industrial goal has been directed toward providing satisfactorily for the living conditions of the masses and meeting their cultural requirements. Therefore, we are providing these branches with the basic economic laws of socialism. By means of working out and developing a planned national economy and balanced relationships along these lines, we are also providing socialist principles for distribution as well as other economic laws of socialism.

However, there continue to exist old working relationships in the private farming branches of the national economy. In addition to this, the fact that they have not adapted working relationships to the characteristics of the working force has been the principal obstacle which has blocked the development of the economy of this branch. In this branch they are using by one means or another the laws of value, the laws of competition and industrial disorder, and the laws of surplus value, which are to be considered old economic laws. However,

the fact that the economy of the socialist branch has played a leading role in the economy of the country has had a limiting effect on the old economic laws mentioned above. The people's revolutionary regime is directing and coordinating the development of the private farmers branch by such means as establishing the economic relationship between urban and rural areas, utilizing the economic laws of socialism, by carrying out various tax policies, and by fixing the prices of industrial and consumer goods. However, both the small-goods economy and the embryonic capitalist economy are being taken over and directed toward a role which fits in with the law of value. This is evident in that some activities of these farmers are interfering with the sale of their products on the market and the prices of some of their goods fluctuate widely from what they are seeking on the market place. The relationship between the various economic forms during the transformation period of the People's Republic of Mongolia is indicative of this country's present social-economic condition.

Before the Revolution, our people's livestock economy was the only basic area which suffered general feudal exploitation. Livestock was used constantly as payment for various kinds of feudal taxes and fees and as payment for debts owed by the feudalists to foreign businessmen.

The most primitive methods were used in managing the livestock economy. Before the Revolution the people's economy was one which needed to take drastic measures for various reasons such as the fact that the backward work relationships of a feudal society dominated, Mongolia was cut off from the civilized peoples of other countries, the farmers lived in a scattered nomadic condition, and the cultural and economic development of the country was lagging. However, due to the people's revolutionary victory, the private farmers have broken away from the feudal yoke, have gained a broad opportunity to develop greater freedom, and have acquired a concrete plan for the future which will make over from the bottom up the working methods of the private farmers.

Thanks to the various measures adopted and carried out by the People's Revolutionary Party and by the Government, there has appeared a great change in the living conditions of the farmers. The economic changes which have taken place are as follows:

In liquidating private feudal property, building a socialist type economy in the rural areas, and in developing private farming, they have raised greatly the enthusiasm of the working people. As a result of this, the number of livestock owned by individual farmers has been increased 2.5 times from the national level of 1918 to that of 1951, and the total number of livestock owned per household, which averaged 60 head in 1918, increased to 124 head in 1940. A great change which appeared in the living conditions of the individual farmers of the country was the sharp improvement in the use and profit derived from each household's livestock and in the further increase in production of the individual farmers of the country. Because of this,

the nature of the requirements employed in allocating the people's economy could be modified on a wide scale. Therefore, the private economy of our people became an economy with goods of better quality. Likewise, the work methods and techniques of the private farmers were modified to no small degree.

Before the Revolution the people's economy made absolutely no use of veterinary or zootechnical services; now the individual farmers of the country make wide use of the discoveries in veterinary and zootechnical science.

Widespread contagious livestock diseases such as anthrax, godron [possibly a disease of goats], and hoof and mouth disease have now been completely eradicated. From 1940 to 1946 losses due to contagious livestock diseases were reduced as follows: camels, from 4.5 to 1.5%; goats, from 7 to 1.7%; sheep, from 5 to 1.8%; and, comparing 1951 with 1944, there was a 34% drop in losses from disease. Previously, among private farmers the cutting of hay and the building of fences and shelters were carried out haphazardly; now such things are items in the detailed planning of the national economy.

The fact that during the revolutionary years the number of households in the rural areas without livestock had decreased is a matter of great significance in the economy.

Although the various measures taken and carried out by the country have had such great results, the backward work methods used in the people's private economy are still the same.

In addition to the leadership given by the People's Revolutionary regime, the development of private farming is concerned with three other types of causes which are clearly derived from the character of the present period:

a. The principle of the private ownership of work tools and equipment.

b. The work of the individual farmers has been conducted as usual on the basis of scattered nomadic work methods.

c. The people's private economy has, in general, qualities which are only half of what is required. Even up to now, the people's economy has been unable to overcome the conditions which influence and explain these qualities. For this reason, our livestock economy has been unable to provide even ordinary maintenance work in the basic branches of the national economy. Through not liquidating this leftover of the former social economy of capitalism in the rural economy, all of our past experience proves, in particular, that we cannot introduce basic changes in making over the work methods of the people's private economy, i.e., farming, and in the development of our total economy.

In considering the fulfillment of the First Five-Year Plan of the People's Republic of Mongolia, the state farmers carried out 112% of their plan for breeding livestock, the agricultural collectives fulfilled 6.5 times the amount set for them and, measured by this standard, the private farmers did not fulfill their original plan at all.

In comparing with previous years the total number of livestock owned by private farmers in 1953, the total number of livestock was on the 1933 level, horses were on the level of 1938, sheep on the level of 1934, and cattle were on the level of 1938. From this standpoint, the condition of growth of the total livestock owned by private farmers has not reached even now the pre-war level. Likewise, due to the fact that the private farmers' livestock production was insignificant and their work productivity was low, the proportion of highly productive livestock in the herds is decreasing. For example:

Cattle, which represented 10.4% of the herds in 1937, decreased to 7.7% in 1953; sheep, which represented 66% in 1933, decreased to 55% in 1953. Also, due to the fact that in the people's private farming economy they did not plan for increase and losses in their herds and used up their livestock wastefully, the total number of livestock has decreased, and the number of milk cows owned by private farmers has decreased further, losing on an average of 3% per year from 1937 to 1945, and the number of calves born to each 100 milk cows has also decreased.

At the present time in our country the basic problem of rebuilding the people's private economy through socialist means is unresolved. There is an inferior method of distributing goods in the people's economy, and a small-goods economy is dominant in the national economy, employing nomadic, scattered work methods. The main life of the people is still modeled on the same kind of backward nomadic livestock economy, and in the rural economy, the cooperative socialist form of economy has been occupying an insignificant part; also, more than half of the people's private farming economy has been sanctioned by poor farmers who have little capability.

The people's small-goods economy which has been dominant in the economy of the country has been completely unable to provide for the growing needs and demands of the national economy. Consequently, there are two basic conflicts in the economy of the country, as follows:

1. A conflict between the advanced form of our people's revolutionary regime and the backward technical and economic conditions in the country.

2. The conflict between the socialist sector of the national economy and the scattered small-goods economy. Therefore, "the task of remodeling gradually the rural economy of the People's Republic of Mongolia has become the country's principal objective." (Note: Yu. Tsedenbal. See newspaper article of 15 August 1955, "For Firm Peace and Democracy.")

If we examine the special features of the people's economy before the Revolution, we find that the cooperative movement among the livestock-raisers is in a very poor state of development. We may explain this by the fact that the development of the working forces of the farming economy have been extremely backward and that their economy has been characterized by nomadic work methods and a condition in which each individual has to provide for his own needs.

However, it is absolutely not the case that we have been unable to transform to work cooperatives the nomadic livestock economy nor that we have eliminated any of the forms of general cooperation which already existed in our livestock economy.

Cooperative work methods, such as living in camps, herding livestock jointly to better pastures, making felt together, shearing sheep, digging wells, and hunting, are precisely the kind of common cooperative work methods also employed in the farming economy.

It is a well known fact that these cooperative forms, which existed as features of the nomadic livestock economy during the period of our feudal society, were incapable of producing drastic changes in the work methods of the farmers.

After the People's Revolution there were two historic periods in which a cooperative type of economy appeared. The periods may be divided into the period of cooperative construction during the years 1929-1932 and the period of building agricultural collectives from 1932 up to the present time.

If we should mention possible social-economic features arising out of the agricultural collectives in the People's Republic of Mongolia, we might point out that the people's democratic victory, which has been a distinct feature of the dictatorship of the proletariat, has liquidated private feudal property, transferred important segments of the nation's economy into the hands of the people's regime, and has made possible the existence of socialist property in the national farming economy.

After breaking up the cooperation which had been built along misguided lines, the livestock people began to join voluntarily in bonds of common comradeship. During the period 1935-1936, some of these friendly associations disappeared, others changed into livestock collectives. As a result of the fact that the Party and the Government adopted a number of measures for consolidating the economic construction of the agricultural collectives, the agricultural collectives grew strong and achieved many successes.

The growth which has taken place in the essential parts of the agricultural collective is confirmed in the following chart:

	<u>Years</u>			<u>Percentage of 1954 compared with that of 1947.</u>
	<u>1947</u>	<u>1949</u>	<u>1954</u>	
1. Number of collectives	108	121	198	185
2. Number of members	6,325	8,141	15,400	248
3. Number of members per collective	58	67	78	135
4. Total number of livestock of the collectives (in 10,000's)	45.3	85.5	979.5	22 times
5. Number of livestock per collective	419	707	4,946	
6. Number of livestock per member	7.1	10.5	64.0	--
7. Proportion of collective livestock throughout the nation	0.22	0.38	4.3	--

A cooperative-socialist form of economy is now entering the initial stage among the country's private farmers. In this connection, work tools and equipment are being organized along socialist lines in agricultural cooperatives by the country's private farmers. The socialization of work tools and equipment in the agricultural work cooperatives by the country's private farmers has decisive significance in the matter of realizing the basic economic aim of the country's transformation period.

Therefore, there is coming about in our rural economy the beginning of a change in old work relationships and the setting up of new ones, and a suitable beginning is taking place in form and shape in respect to both working relationships and working forces.

The great success achieved by the country's private farmers in socializing their work tools and equipment in agricultural collectives and in joint economic construction is proved by such items as, first of all, the development by the farmers themselves of their own working forces, and, as our agricultural economy in general and our private farmers in particular have been ready to transfer to a collective type of economy, the country has enjoyed a general economic development. (Note: That is, in proportion to the rate at which the farmers have joined the collectives.)

Pasture lands in our country are the property of the whole nation. Because the nomadic, scattered private farmers do not have large technical machinery for work equipment, the tools and equipment which they have been socializing in the people's collectives has been their own livestock.

At the present time the collectivization of livestock in the agricultural collectives is being carried out with great enthusiasm by the farmers. In 1951, in SAIHANTSAGAAN Somon, DUNDGOBI Aimak, of the 14 private formers who organized a collective, ten of these collectivized from 60-88% of their livestock. Also, of the 56 farmers who joined the collective in DELGEREHBULAG Somon, OBORGANGAN Aimak, 26 of these collectivized from 30-90% of their livestock, and of the 20 farmers in the collective set up in TARAGT Somon, 16 of these collectivized from 20-55% of their livestock; also, of the 34 households that joined the newly established collective in DASHBALBAR Somon, CHOIBALSANG Aimak, in 1951, 18 of these collectivized from 26-70% of their livestock, and, in addition to these, such a movement for transferring all one's livestock to collectives has taken place everywhere.

In 1953, there was an increase in the total number of livestock of all the nation's collectives as follows: 49% increase through the birth of young livestock, 7% increase through purchase, and 44% increase through the collectivization of livestock by members, and in certain aimaks the number of livestock collectivized by members has represented 77% of the collective's increase in livestock.

Because of this, the increase in commonly-owned livestock of all the collectives is advancing at a very fast rate. If we take the number of livestock for 1948 as 100%, the livestock of the agricultural collectives increased in 1953 as follows: camels, 5.7 times; horses, 3.2 times; cattle, 3.3 times; sheep, 5.3 times; goats, 9.8 times, and the total number of livestock, 6.3 times.

A wide movement on the part of the country's private farmers to collectivize their livestock in agricultural collectives began in 1948-1949; previously, the people who joined collectives paid only the assessment for joining and felt that joining the collective was sufficient.

If the work tools and equipment which the private farmers are now socializing in work collectives can be based on socializing the labor of the members and, as a result of this, if the members really understand the advantage of joint labor in their lives and have been able to associate these two factors, then they will see how important they are.

Although the private farmers are now socializing their livestock on a large scale, they are not all socializing their labor to the same degree. At the present time we can divide into two categories the aims and characteristics of the private farmers who have socialized their tools and equipment in agricultural collectives and who have joined them as well:

1. A group from the lower class of poor farmers and from middle-class farmers who have joined up for the sake of actual work. As these farmers have joined with the purpose of improving their living conditions and of really working together, they have socialized their work for the most part.

2. A group of farmers who have also joined with the purpose of reducing the number of their livestock and in order to divide up their possessions. This group may be divided further into three parts:

a. Rural officials who owned privately a large number of livestock and have been unable to find pasture for them have finally joined the collectives and have transferred a large portion of their livestock to them. To give just one example. In SANAACHLAGA Collective, BAYAN_OBOO Somon, BAYAN_HONGOR Aimak, the chief and deputy chief and secretary general of the Somon, the secretary-general of the Party and of the Youth League cells, the deputy prosecutor of the aimak, the head of the Somon's cooperative, and various heads of BAG's joined the collective and turned over more than half of their livestock.

b. Farmers in debt because of official obligations, i.e., taxes, due the state, hoping eventually to free themselves from these obligations, are turning over their livestock to the collective.

c. Certain large-scale farmers have also joined on the basis of not liking current tax and other policies. They have reduced the number of their livestock, divided up their property, and transferred large numbers of livestock to the collective.

In February 1954, the "Socialist Road" Collective, which previously had 67 members with 1,990 head of livestock, grew to 287 members with 8,000 head; the "Great Beginning" Collective, which started out with 23 members and 450 head of livestock, grew to 67 members with 3,000 head; the "Red Partisan" Collective, which began with 1,451 head of livestock, grew to 12,000 head. In the course of this growth, large-scale farmers, for the most part, joined the collectives.

The farmers mentioned above are those who are especially characterized by not allowing their labor to be socialized, for the most part. Some of the farmers who joined the agricultural collectives and socialized their livestock on a large scale were doubtless persons who joined with the intention of cutting down their livestock and breaking up their property. We may explain to some extent the current work organization and characteristics which prevail in our agricultural collectives as a result of this kind of socializing into agricultural collectives of work tools and equipment on the part of private farmers.

At present some members of agricultural collectives for various reasons are not participating in the collective work and are laboring, for the most part, under a private economy like that of private farmers. Some of the reasons for this are:

a. Some of the people who have joined the agricultural collectives are not joining up at the present time for the sake of joint work.

b. A one-type livestock economy which has become the main occupation of a collective is unable to provide work for all the members.

c. Because the common livestock of the collectives cannot provide more than half of what is required, and because work productivity is weak, it is impossible to attract the material interest of the members in the collective work.

The present work organization of the agricultural collectives may be divided into two types:

a. The type which organizes along private lines.

b. The provisional brigade type.

The type which organizes along private lines is dominant at the present time in the work involving the common livestock of the collectives. The basic feature of this type is that it distributes the common livestock among the members, and the members tend this livestock according to the methods used by private farmers. When such a type of work organization dominates, the true characteristics of joint work cannot be seen and there is no great difference between this system and that of having livestock tended by private farmers.

Hitherto, because they have employed various systems for paying work wages in our agricultural collectives, in one way or another the systems employed have been related to each other under the principle of equality. To clarify these systems:

1. The system of fixed wages and salaries.

2. The system which divides the collective's income between the member collective and the central committee for these particular collectives.

3. The system which takes into account the use made of products obtained from the common livestock which the collectives have been tending.

4. The system which also gives credit for the use of work tools and equipment privately owned by the members employed in joint work in paying out wages to them.

5. We can mention several systems for paying for a workday. Of these various systems, the most important is the one in which wages have been paid in our collectives based on the total work actually expended by individual members. In this respect, this system is different from some of the systems used for reimbursing joint work in other democratic countries. Subsequently, the system of paying out wages to members according to the workday has spread through the agricultural collectives, has improved them further, and has had great significance in raising the living conditions of their members.

Because various types of property exist at one time in the present economy of the country and because economic relations between city and country are brought about by the forms of trade existing between them, our agricultural collectives are exchanging part of what they have produced for merchandise.

The general economy of the agricultural collective is connected in every respect with the goods economy during the country's transformation period. The principal aim of the goods industry in our present transformation period has been directed toward satisfying our people's constantly growing needs. In this respect, the basic difference between the present system and the goods industry of the capitalist period is evident.

Also, one cannot say that our present goods industry is exactly the same as a socialist goods industry. The goods industry of the transformation period is different in many respects from the socialist goods industry in the USSR.

Our goods industry contains within itself both public and private ownership. Also, a small-goods economy occupies a base which dominates in our goods economy. And in addition, all industrial tools and equipment which have decisive importance for our national economy have roots in the aforementioned small-goods economy, and have various special characteristics, such as being unable to develop on a wide scale the effect of the law of values in our goods industry.

Besides this, one cannot make a comparison between the people's private goods industry and the goods industry which has existed in the national economy.

One can see that the goods industry in the national economy is a socialist-type goods economy which has developed on the basis of socialist economic laws. On the other hand, the goods industry of the farming people's economy is developing along the lines of other economic laws as regards the private goods economy of small-goods industrialists.

The goods economy which has been developing in the public economy of our agricultural collectives has retained all the conflicting features of our country's transformation period.

Because the agricultural collective's principal socialized work at the present time is based on a backward nomadic livestock type of economy, it is unable to provide fully the essentials needed by the various parts of its economy. Due to this, the annual production of our collective's socialized economy is insignificant in respect to amount and practically nothing in respect to classification (Note: probably according to grade; such as superior, medium, and poor) and because of the internal needs of the collective's economy, they are unable to produce very much. The agricultural collectives, like the private farmers, are producing a small amount of livestock products -- meat, milk, wool and processing them.

The agricultural collectives in 1953 produced and processed 278,331 kilograms of various kinds of wool, 848,229 kilograms of meat, and 23,895,655 [See Note] liters of milk. (Note: This figure is not completely accurate.)

To make a rough estimate of the production and distribution of the aforementioned items:

	<u>Amount Officially Assessed</u>	<u>Consumed (to meet the needs of the collective's own economy</u>	<u>Items sold on the market</u>	<u>Items distributed daily for the work of members</u>	<u>Amount left over at the beginning of the following year</u>
Wool	83.9	3.0	5.6	4.0	3.5
Meat	89.6	1.3	3.0	4.8	1.0
Milk	52.0	20.0	10.0	17.2	0.8

The agricultural collectives' products are being sold at the present time voluntarily to the state according to the state's official assessments, and there are also appearing such economic relations between city and country as selling freely to each other on the market.

In 1953, the collectives fulfilled their obligations and turned over under the official assessment 98.8% of the wool, 96.8% of the meat, and 84% of the milk which they had produced and processed, and also produced and sold on their own markets 6.2% of their wool, 3.2% of their meat, and 16% of their milk.

In viewing the evidence briefly summarized here, it appears that in the current consumer goods economic relationship between the state and the collective the official provisions of the state occupy a dominant base; and that all forms in the consumer goods economy are developing very poorly, and that the level of goods production in the collective's social economy is showing an insignificant development which cannot provide very much to meet the official quotas of the state. If we take the revenue obtained from the livestock economy in 1953 as 100%, 80-90% of this has been derived from official sales under state regulation. Also, in 1953, 65% of the revenue of the collective's socialized economy was derived from state credits and from other subsidiary economic activities such as transportation. This is further proof that the development of consumer goods in the economy of the agricultural collective is extremely backward, that the common livestock economy is unable to become the main source of revenue in respect to the basic work of the collective, and that the proportion of goods produced under the collective economy is not more than that produced by the private farming economy.

To sum up the principal defects in the present economy and organization of the agricultural collectives, we find that both the collectives' socialized economy and the private farming economy are affected to no small degree by surrounding natural conditions. Also, a socialized economy which is basically of one type is at a standstill as regards the qualities required of an efficient economy. At the

present time the socialist branch of the collective is widely scattered and separated from the other branches of the economy and from the city markets. If we examine the structure of the collective's economy, we find that it is to a large extent drifting into the activities of a small-goods economy.

The defects mentioned in regard to the economy and organization of the agricultural collective cannot in any way negate the socialist characteristics of the collective's economy.

The factors which have illustrated the socialist characteristics of our agricultural collective's economy are:

1. Our people's democratic system which is now fulfilling the duties of the dictatorship of the proletariat has become the basic method for clearing away the principles which are different between the people's small-goods economy which has been achieving haphazardly a private reproduction of capital and the socialist industry which our regime has been developing along the lines of a broad-scale reproduction of capital, and is utilizing the system of the agricultural collective.

2. The fact that the country's basic industrial tools and equipment are to be found in the hands of all the people is a factor which is by-passing the non-socialist relationships in our agricultural collectives and is providing a concrete possibility of connecting directly socialist work with a socialist market system.

3. The fact that our agricultural collectives own permanently and without charge the nationalized pasturelands is of decisive significance in explaining their socialist economic characteristics.

4. All of the work activities of the agricultural collective depend on socialized tools and equipment.

5. Basically, in our agricultural collective at the present time, the method of distributing the common income according to socialist principles is dominant.

6. Because there is no distinction between the oppressor and the oppressed classes in our agricultural collectives, there is no practice of oppressing and exploiting. Thus, our agricultural collective will become without doubt a form of socialist work cooperative. However, this does not mean that it is a perfect form of economy which has arrived at the lofty fulfillment of a joint socialist economy.

Our agricultural collective is the transitional form which is causing the private economy to become a socialized economy. It has become the form for eliminating the practice of hundreds of years of private ownership of work tools and equipment, and is a socialist economic form by having been the form which determined new working relationships in our rural areas.

Our agricultural collective is now in the state of having socialized work tools and equipment and is further characterized by having socialized the members' work, and if we view it in terms of the present state of development of its common economy, we find that it is a simple type at the bottom of the first stage of a socialist-type work cooperative.

In order to cause the agricultural collective to arrive at such a form as an agricultural artel which will be a higher form of socialist work cooperative, we must carry out the principal requirements of the agricultural regulations approved in March 1955. Consequently, our basic aim is to strengthen our agricultural collectives in respect to both economy and organization.

Although the agricultural collectives of the People's Republic of Mongolia have been fortified greatly with respect to economy and organization, have expanded common livestock, and have become large-scale joint economies, they are still very far from solving many important economic problems such as raising the productivity of the socialized work, increasing the products of the common livestock economy, raising the quality of the economic goods, causing socialist principles to permeate the joint work, and raising the living standards of the members. Furthermore, our agricultural collectives are not able to demonstrate the superior quality of a large-scale joint economy to the private farmers and are unable to become the kind of economy which will attract the private farmers to joint work, and the socialized economy of the agricultural collective is nomadic and scattered and cannot attain even half of the individual qualities required. Therefore, the Party and the Government consider that other important objectives are to strengthen our collectives' economy with respect to economy and organization, making it into a model joint economy. The important objective of strengthening the present collectives with respect to economy and organization consists of arriving at a higher work cooperative type of agricultural artel. In other words, it is urgently necessary to carry out in a practical way the new standard regulations for agricultural collectives which were approved in 1955.

The principal step to take in beginning to achieve properly this important requirement lies in embodying the principle of socializing work tools and equipment in the collectives with a clear class direction and with hard work characteristics. This is to say that in socializing the work tools and equipment of the private farmers, we must, first of all, decide in the interest of poor and middle class farmers, and carry out the socialization of all principal work tools and equipment of farmers who have joined the collectives as well as the individual work participation of those who have collectivized their work tools and equipment. Consequently, the new model for our agricultural collectives is to be found in a model which has the regulation, i.e., Marxist, political and economic content.

After having organized in this manner, the most important item required is to spread socialist work principles throughout the agricultural collectives. What problems should we decide first of all before spreading socialist work principles throughout our agricultural collectives?

1. We must eliminate work of a private character which has existed in the livestock activities of our agricultural collectives and replace this with work of a collective character.

2. We must bring about the individual participation without fail of each member in the common work.

3. We must cause all members to have individual responsibility for the joint work of the collective and eliminate the bureaucratic arrogance which has occupied a dominant base in our collectives.

4. We must eliminate situations which have the haphazard characteristics of private farmers and obtain full socialized work progress with a detailed orderly plan.

5. We must eliminate the disorderly petit bourgeois conditions which have had a considerable influence in our collectives and obtain a correct detailed statistical accounting of the work expended by each person.

6. In the task of distributing the common income of the collective, we must without fail achieve such important aims as, first of all, eliminate the various types of small capitalists who are still to be found at the present time and disseminating the practice of having a workday set up in strict accordance with the quotas for this work. On the other hand, in disseminating the practice of the workday in our collectives at the present time, we are encountering serious obstacles in understanding. For example, because our agricultural collectives are a lower type of industrial cooperative, the majority of the collectives' members still do not understand the really important necessity of transferring to the workday. Also, there is a great lack of qualified personnel capable of organizing effectively workday schedules.

Because the common work production of the collective is lax and backward, the value of the workday is slight, and it is not possible to attract the material interest of the members. Also, in setting up a precise statistical accounting of work expended based on the workday, we are faced with great obstacles resulting from the influence of small property owners. In addition, because of the various pointless types of activities in a nomadic livestock economy, it is not easy to establish appropriate scales for work expended which will correspond to these activities. On the other hand, we shall overcome the difficulties mentioned by providing the collectives with capable professionally qualified personnel, by organizing an effective statistical accounting, by advancing beyond a common economy which has half the qualities needed, and by freeing the collective's livestock economy from its environment, i.e., natural disasters. A principal problem in consolidating the agricultural collective with respect to both economy and organization is in raising the productivity of the common livestock and in increasing the revenue to be derived from it. By this means, we shall remove the conflict between the rate of industrial growth, which causes agricultural productivity to be our principal economic dispute, and the growth required; and, at the same time, change the character of the collective's common economy to meet all requirements. We should solve this problem along such lines as

increasing the number of common livestock, improving sharply the utilization of agricultural products, improving the breeding stock of the common livestock, changing the methods for providing fodder for the common livestock, and by causing the livestock economy to evolve by one means or another into a settled, i.e., non-nomadic, condition. However, with the influences of a nomadic livestock economy having a single-type small-goods economy, it is impossible to solve successfully the problem of converting our agricultural collectives into highly developed economies with great productivity. On the other hand, the condition exists for solving this problem successfully, if we combine the development of our collectives' common livestock with that of the farming economy, i.e., tilling of the soil, and bring about a collective economy with many branch economies. We shall be able to solve once and for all several problems which have great social-economic significance, if we organize the new branch economy of land cultivation. Thus, a land-cultivation economy will bring about the liquidation of the scattered nomadic conditions which prevail in the farming economy which is the principal social-economic remnant of feudalism, and will provide an economic-property base for creating a settled, non-nomadic, way of life. Likewise, it will be a factor in solving the conversion of the people's farming economy into a highly developed economy, and will solve the highly important problem of transforming it through socialist methods. In addition to this, it will solve also the basic problem of fodder for our livestock economy.

In addition to what has been mentioned above concerning the consolidation of the agricultural collective with respect to economy and organization, our current living conditions require the solution of various important problems which are pressing and which have very great economic and political significance at the present time.

To summarize briefly, it is urgently necessary to solve many important economic problems such as: organizing the common economy of the collective and the living conditions of the members on the principle of economic-property incentives; establishing strong permanent economic relationships of the commercial-goods and goods-production types between the collective and the other economic branches of the socialist branch of the national economy, and, in general, as concerns goods production, utilizing with broad-scale measures every possibility for a small-goods economy in the development of the collective's economy, establishing precise commercial-economic relations between the people's private farming economy and the collective, using every possible method in the development of the private economy in order to turn it more in the direction of a cooperative economy, disseminating new techniques in the principal basic activities of the collective's livestock economy, developing all kinds of economies which will be subsidiary to the agricultural collective, establishing widely every kind of friendly relationship with the private farmers, and rescuing by every means the collective's common livestock economy from its present nomadic state.

In the course of the socialist organization of the country, various difficult and delicate problems have appeared. One of the most important of these problems is the matter of eliminating backward technical-economic conditions in the country. The sole factors that we have for solving this problem are by such means as combining on a wider scale the jobs involved in the manufacture of work tools and equipment and in the production of items needed, and by promoting industrialization. Because of this, it is especially urgent to develop the light industry which will turn out agricultural products and to develop the important branches of heavy industry along with the development in every respect of the other branches of light industry. Consequently, it is necessary in the future to expand further the fuel industry and the minerals exploitation industry, and especially to organize the building materials industry and our own industry for processing steel. The principal task in this regard requires making it possible to provide the basic improvements needed for equipping the national economy, to produce ordinary spare parts for machine tools and, in the future, to be able to make ordinary simple machines.

5507

- END -